

HOUSE BILL REPORT

HB 1994

As Reported by House Committee On:
Technology, Energy & Communications

Title: An act relating to informing electric customers of the carbon dioxide emissions associated with their electricity consumption.

Brief Description: Informing electric customers of the carbon dioxide emissions associated with the customer's electricity consumption.

Sponsors: Representatives Finn and Chase.

Brief History:

Committee Activity:

Technology, Energy & Communications: 2/16/09, 2/19/09 [DPS].

Brief Summary of Substitute Bill

- Requires the Department of Community, Trade and Economic Development to obtain information specifying the carbon dioxide emission intensity of certain electricity products.
- Requires electric utilities to disclose carbon dioxide emission information regarding electricity they use to serve their retail load.

HOUSE COMMITTEE ON TECHNOLOGY, ENERGY & COMMUNICATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives McCoy, Chair; Eddy, Vice Chair; Carlyle, Finn, Hasegawa, Hudgins, Jacks, Morris, Takko and Van De Wege.

Minority Report: Do not pass. Signed by 6 members: Representatives Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Condotta, Herrera, Hinkle and McCune.

Staff: Kara Durbin (786-7133)

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Greenhouse Gases Emissions.

In 2008 the Legislature enacted the following statewide greenhouse gases (GHG) emission reductions requirements:

- by 2020, reduce overall GHG emissions in the state to 1990 levels;
- by 2035, reduce overall GHG emissions in the state to 25 percent below 1990 levels; and
- by 2050, reduce overall GHG emissions in the state to 50 percent below 1990 levels, or 70 percent below the state's expected GHG emissions that year.

Owners or operators of a fleet of on-road motor vehicles that emit at least 2,500 metric tons of direct GHG emissions annually in the state, or a source or combination of sources that emit at least 10,000 metric tons of direct GHG emissions annually in the state, must report their total annual GHG emissions to the Department of Ecology beginning in 2010 for their 2009 emissions.

Fuel Mix Disclosure.

Electric utilities in Washington must provide retail customers with fuel mix information on an annual or semi-annual basis, depending on the size of the utility. "Fuel mix" means the actual or imputed sources of electricity sold to retail customers, expressed in terms of percentage contribution by resource category.

Electric utilities provide fuel mix data to the Department of Community, Trade and Economic Development (CTED). The CTED compiles data from all electric utilities in the state and publishes an annual utility fuel mix report, which electric utilities may use to distribute to their retail customers.

Summary of Substitute Bill:

The Electricity Information Coordinator, designated by the CTED, must obtain information specifying the annual carbon dioxide intensity for electricity: (1) sold by the Bonneville Power Administration (BPA); and (2) generated in the Pacific Northwest and in the Western Electricity Interconnection.

Electric utilities must calculate their carbon dioxide emission intensity for all electricity generation that they own that is used to serve retail electric customers in the state. If an electric utility serves their entire retail load with power purchased from the BPA, the electric utility must disclose an annual carbon dioxide emission intensity that is based on the annual carbon dioxide emission intensity for that electricity product. If an electric utility owns electricity generation and also purchases electricity from BPA to serve its retail load in the state, the electric utility must disclose an annual carbon dioxide emission intensity that weighs the proportion of their total electricity supply from those sources.

Electric utilities must disclose the annual carbon dioxide emission intensity of: (1) its total electricity supply; and (2) electric generation in the Pacific Northwest and in the Western Electricity Interconnection.

Carbon dioxide emissions intensity must be calculated by dividing the pounds of carbon dioxide emitted from direct fossil-fueled combustion by the total megawatt hours of electricity products.

Substitute Bill Compared to Original Bill:

The substitute bill provides specificity as to how the carbon dioxide emissions will be calculated. The substitute bill also directs the CTED to obtain information on carbon dioxide intensity for electricity generated in the Pacific Northwest and the Western Electricity Interconnection, or electricity sold by the BPA.

Appropriation: None.

Fiscal Note: Requested on February 19, 2009.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Last year the Legislature set out requirements in statute to reduce greenhouse gas emissions (GHG). In order to reach these goals, we need to educate the public so that they understand their carbon dioxide emissions better.

(In support with concerns) We support the concept in this bill. We would like it to be an annual requirement that is concurrent with the fuel mix report. Public utility districts are proud of having a low carbon footprint with their hydropower and nuclear base.

(With concerns) We support the intent of bill, which is disclosure and transparency. However, clarity is needed on how this information will be delivered and how often. Calculating carbon dioxide emissions on a monthly basis would be very difficult. Providing this information on an annual statement would be more straightforward and less burdensome. The current Fuel Mix Disclosure law could be better integrated with this proposal. It is important to have consistent methodologies used for GHG.

Persons Testifying: (In support) Representative Finn, prime sponsor.

(In support with concerns) Dave Warren, Washington Public Utility Districts Association.

(With concerns) Ken Johnson, Puget Sound Energy; Collins Sprague, Avista Corporation; Kathleen Collins, PacifiCorp; and Carrie Dolwick, Northwest Energy Coalition.

Persons Signed In To Testify But Not Testifying: None.